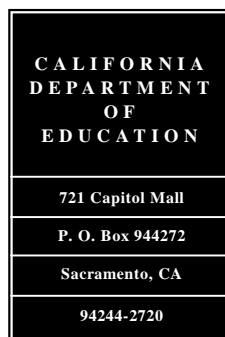




DELAINÉ EASTIN
State Superintendent of Public Instruction



June 26, 2000

To: Special Education Local Plan Area Directors
and County Chief Business Officials

From: Eileen Cubanski, Manager
Special Education & Categorical Programs Unit
School Fiscal Services Division

Subject: Special Education 1999-00 Second Principal Apportionment:

This letter transmits the exhibits for the Special Education Apportionments certified as of June 2000, including the recertification of the 1997-98 Annual J-50 Apportionment, the recertification of the 1998-99 Annual AB 602, Infant Program, and NPS/LCI apportionments, and the 1999-00 AB 602, Infant Program, and NPS/LCI Second Principal Apportionment (P-2).

Recertification of 1997-98 Annual J-50 Apportionment

The total certified corrections for 1997-98 totalled \$32,354,136. This represents a change of \$726,628 from the amount certified at the First Principal Apportionment (P-1). The increase is attributable to audit findings and corrections to special education property taxes. These changes resulted in an increase in the 1998-99 statewide target rate of approximately \$.07. Funds from the 1999-00 appropriation for special education were used to cover this deficiency. (1998-99 AB 602 SELPA Exhibit, Section 3, line A)

CDE will submit a request to fund 1997-98 and prior years' corrections received after June 30, 1999, to the Department of Finance (DOF) and the Legislature. If funding is received for the deficiency request, one-time payments will be made in the year of the appropriation, and will not result in re-opening the J-50 calculations for any fiscal year.

1998-99 Annual Apportionment for Special Education

The increase in the 1998-99 statewide target rate resulted in minor increases to the 1998-99 entitlements for growth, cost-of-living adjustment (COLA), special disabilities adjustment, and equalization. The 1998-99 adjustments to average daily attendance (ADA) and property taxes reported at P-2 did not significantly alter special education entitlements. Claims reported for NPS/LCI increased the entitlement by \$4,184,467.

Second Principal Apportionment of 1999-2000

Three factors contributed to the deficit in the funding for 1999-00.

1. CDE transferred \$32,354,136 from the 1999-00 appropriation to fund the 1997-98 prior year corrections. To ensure that high-growth SELPAs did not benefit from the deficit created at the expense of low-growth SELPAs, funds were proportionately taken from the base, COLA, and growth sections.
2. The 1999 Budget Act provided \$109,498,462 for NPS/LCI, but the calculated P-2 NPS/LCI entitlement was \$115,523,933. Excess funding of \$2,025,027 from Program Specialists and Regionalized Services was transferred to NPS/LCI to partially offset the deficiency. The remaining deficiency was covered from the base appropriation.
3. ADA for 1999-00 P-2 was certified at 5.6 million, an increase of 110,053 over the recertified 1998-99 annual figure, but a decrease of 36,263.45 from the 99-00 ADA certified at P-1. The lower certification of ADA at P-2 reduced the entitlement for growth from \$73,565,946 to \$54,200,469. The declining ADA adjustment increased to \$421,478 (Line H of Section 4 – Growth on your SELPA Exhibit). The funded growth rose from 54 percent at P-1 to 72.7 percent at P-2.

CDE will pursue additional funding for any 1999-00 deficiency that is not attributable to the 1997-98 prior year corrections.

1998-99 Infant (Ages 0-2) Program

The 1998-99 Infant Instructional Program Service Unit (IPSU) rates were modified to exclude county office property taxes, neutralize the impact of any deficit prior to 1998-99, and increase the revised rates to compensate for the 200-day program. The COLA was calculated at 3.95 percent.

| | |
|---------------------------|--------------|
| Total Available Funds | \$43,756,000 |
| Total 1998-99 Entitlement | 45,067,544 |
| Deficit Factor | .970898 |

1999-00 Infant (Ages 0-2) Program

Total funding for the Infant Program increased by \$4,000,000. However, in the 1999 Budget Act growth funding decreased by \$200,000 resulting in funding for only 62 percent of the growth demand. By under funding growth and providing additional dollars in the base, the Infant Program has a surplus.

| | 1998-99 Statewide Average <u>Rate</u> | 1999-00 COLA (1.41%) | 1999-00 Statewide Average <u>Rate</u> |
|-------------------------------------|---|----------------------------|---|
| Special Day Class | \$43,458 | \$ 613 | \$44,071 |
| Resource Specialist | \$45,821 | 646 | 46,467 |
| Designated Instruction and Services | \$42,920 | 605 | 43,525 |
| Aide | \$17,647 | 249 | 17,896 |
| Total Available Funds | \$47,620,812 | | |
| Total Entitlement | \$46,733,107 | | |
| Deficit Factor | 1.00000 | | |

County Assignments of Special Education Fiscal Services Unit Analysts

Please review your exhibits carefully. If you have any questions regarding this certification, or the reconciliation and revision of data, please contact Judy Johnson, Manager, Special Education Fiscal Services Unit, at (916) 323-5185 or by email (jjohnson@cde.ca.gov), or the fiscal analyst assigned to your county:

| <u>Alphabetical County Assignment</u> | <u>Analyst's Name</u> | <u>Phone/E-Mail</u> |
|---|-----------------------|--|
| Alameda - Lassen | Ophelia De La Paz | (916) 323-3282 Odelapaz@cde.ca.gov |
| Los Angeles – Riverside | Debbie Mininfield | (916) 322-3280 Dmininfi@cde.ca.gov |
| Sacramento – Stanislaus | Robb Forsberg | (916) 324-4557 Rforsber@cde.ca.gov |
| Sutter – Yuba | Martin Kleinke | (916) 322-5091 Mkleinke@cde.ca.gov |

Enclosures: 1999-00 Second Principal AB 602 Special Education Apportionment
1999-00 Second Principal Infant Special Education Apportionment
1998-99 Recertification of Annual AB602 Special Education Apportionment
1998-99 Recertification of Annual Infant Special Education Apportionment
1997-98 Recertification of Annual J-50 Special Education Apportionment